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CENTRAL INTELLIGENCE AGENCY

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INFORMATION REPORT

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COUNTRY Hungary

REPORT

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SUBJECT Esztergom Machine-Tool Factory

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REQUIREMENT

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PLACE ACQUIRED

REFERENCES

1. Location

Esztergom Machine-Tool Factory (Esztergom Szerszámgépgyár) formerly the Princz Engineering Factory (Princz Gépgyár) is located on the southern outskirts of Esztergom, west of the road to Dorog. Along its eastern boundary there is a street, on the farther side of which there are dwellings. The areas to the north, west and south are not built up.

2. Production

This factory specializes in the production of two small and simple types of easily operated machine tools: a planing machine and a lathe. There is no other factory in the Soviet Bloc producing machine tools with these characteristics.

Products	Productive Capacity	Current Production	Projected Production	Production Priorities
Planing machines with table length of about 500 mm.	Not fully exploited	12-15 per month	Not known	High
Lathes (an old fashioned and simple type) distance between centers about 1000 mm.	Not fully exploited	12-15 per month	Not known	High
File	Small demand.	Production only on order		
driving machine	Present production exceeds normal capacity.			
Castings				

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3. Materials

Products	Suppliers	Quantity per month	Quality
Steel bars and sectional steel	Diósgyőr Metallurgical Works (Diósgyőri Kohászati Üzemek)	Not known	
Ball bearings	Imported via Central Ball Bearing Depot (Központi Golyós-csapágy Raktár)	Not known	Badly lacking
Coke and scrap	Argi Depots (Argi Telep)	Not known	
Centers and chucks for lathes, and other tools	Special Steels Trading Enterprise (Nemesacélszer-számértékesítő Vállalat)	Not known	The tolerances are exceeded
Toothed wheels	Metal Goods and Machine Tool Factory (Fémárú és Szerszámgépgyár)	Not known	Lacking in precision
	Toothed Wheel Factory (Fogaskerékgár)	Not known	
Electric motors for lathes and planing machines	Electric Motors Factory (Villamos Forgógépek Gyára)	30-35 units per month	
Copper, bronze and sundry non-ferrous metals	Metals Trading Enterprise (Ferroglobus Fémkereskedelmi Vállalat)	Not known	

4. Destinations of Productsa. Exports

Rumania	Lathes
Poland	Lathes and planing machines
China	Lathes and planing machines

b. Home market

Lathes and planing machines are being supplied to workshops all over Hungary.

5. Transportation

Incoming materials are transported by truck or by rail. In the latter case freight is unloaded at the Esztergom railroad station from where it is transported to the factory by horse-drawn carts (the factory has no railroad siding of its own). Outgoing products are transported as above.

6. Power

The factory works exclusively with electric power from the National Grid. There is no alternative source of power in the event of an emergency.

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7. Labor

- a. The number of employees is 400, of whom 50-60 are women.
- b. The percentage of direct/productive workers is 75%.
- c. Work is in two 8-hour shifts. The productive efficiency of the second shift is only about 80% owing to the lack of sufficient supervision.
- d. Absenteeism is relatively high, particularly in spring and in fall when many of the workers take days off to tend their gardens or to work on farms where they can get payment in kind (flour or grain for the winter).
- e. (1) Of the manual workers only about 30% are skilled, and the general level of skill is very low.
(2) The technical personnel and office staff are poorly qualified. The lack of staff from the former régime is badly felt.
- f. The local availability of labor is unfavorable because of the housing shortage in Esztergom. Consequently the factory is permanently under-staffed. About 80% of the employees live in Esztergom, while the remainder come from nearby villages, as well as from Dorog; some even from Budapest.
- g. Workers living at Esztergom come on foot, those living elsewhere travel by train.

8. Machinery

- a. The machine tools consist of the following:

Type	Quantity	Efficiency
Lathes	about 20	
Planing machines	about 8	Antiquated types
Milling machines	about 5	
Large drilling machines	2	
Small drilling machines	3	
MAAG tooth cutters	3	
MAAG cog wheel grinders	2	
Cylindrical grinding machines	1	
Cupola furnaces	1	About 600 mm. dia.

- b. Vital machine tools lacking are:

33 Cog cutting machines) minimum requirements
2 Cog grinding machines	
10 Precision lathes	

- c. The factory is insufficiently equipped with instruments and measuring tools. Only the following are available:

- (1) Sliding calipers
- (2) Micrometers
- (3) Gauge blocks (but only 2 of the 'H' size)
- (4) Measuring meters
- (5) Mechanical module gauge
- (6) Gauges for measuring screw-thread pitch
- (7) Gap gauges
- (8) Levels
- (9) Normal gauges

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- d. Transportation and handling of products within the works is by hand-propelled carts. There is one crane in the foundry shop and one in the assembly shop.

9. Quantity and Quality Control.

- a. Control of production efficiency is practically impossible owing to the uneven flow of incoming materials and the invariable scramble at the end of each month. In addition to this, efficiency is low as a result of the poor condition of the machine tools which are subject to frequent breakdowns.
- b. Quality control is also inefficient. Of the 22 quality inspectors, only four or five are skilled workers.

10. Services

- a. Heating is supplied from a central boiler room.
- b. Electric light is supplied from the national grid.
- c. There is a special dump for waste on the premises.

11. Bottlenecks

- a. Bottlenecks are caused by the lack of precision in production, particularly with regard to cog wheels.
- b. The lack of sufficient measuring tools also hinders production.
- c. If there were a breakdown in the foundry, the whole factory would be compelled to discontinue production.

12. Security

There are no special security measures in force. At night there is a guard, which, however, is composed only of civilians. Access to the factory from the west is insecure because there is only a simple fence.

13. Organization

- a. The internal organization of the factory is similar to that of other machine-tool factories. There are no secret departments.
- b. The factory is under the immediate jurisdiction of the Ministry of Metallurgy and Machine Engineering, Engineering Directorate. There is no connection with any parent or subsidiary concerns.

Legend to the enclosed sketch, representing the layout of the Esztergom Machine-Tool Factory.

- 1. Street
- 2. Main gate for vehicles
- 3. Entrance for pedestrians
- 4. Porter's lodge
- 5. Culture hall, canteen, and room for mass meetings
- 6. Entrance
- 7. Building for the management
- 8. Entrance
- 9. Secretariat
- 10. Director's room
- 11. Chief engineer's room
- 12. Office
- 13. Offices and repair shop
- 14. Entrance
- 15. Entrance
- 16. Entrance
- 17. Central boiler house
- 18. Foundry
- 19. Entrance
- 20. Wooden building used as storehouse
- 21. Turning shop and assembly shop

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Legend (cont'd)

- 22. Quality Control room
- 23. Office of Quality Inspectors
- 24. Office and tools store
- 25. Machine tools
- 26. Assembly line
- 27. Packing shop
- 28. Entrance
- 29. Scrap, coke, sand, and pig-iron depot.

Annex: Layout of Esztergom Machine-Tool Factory (1 page)

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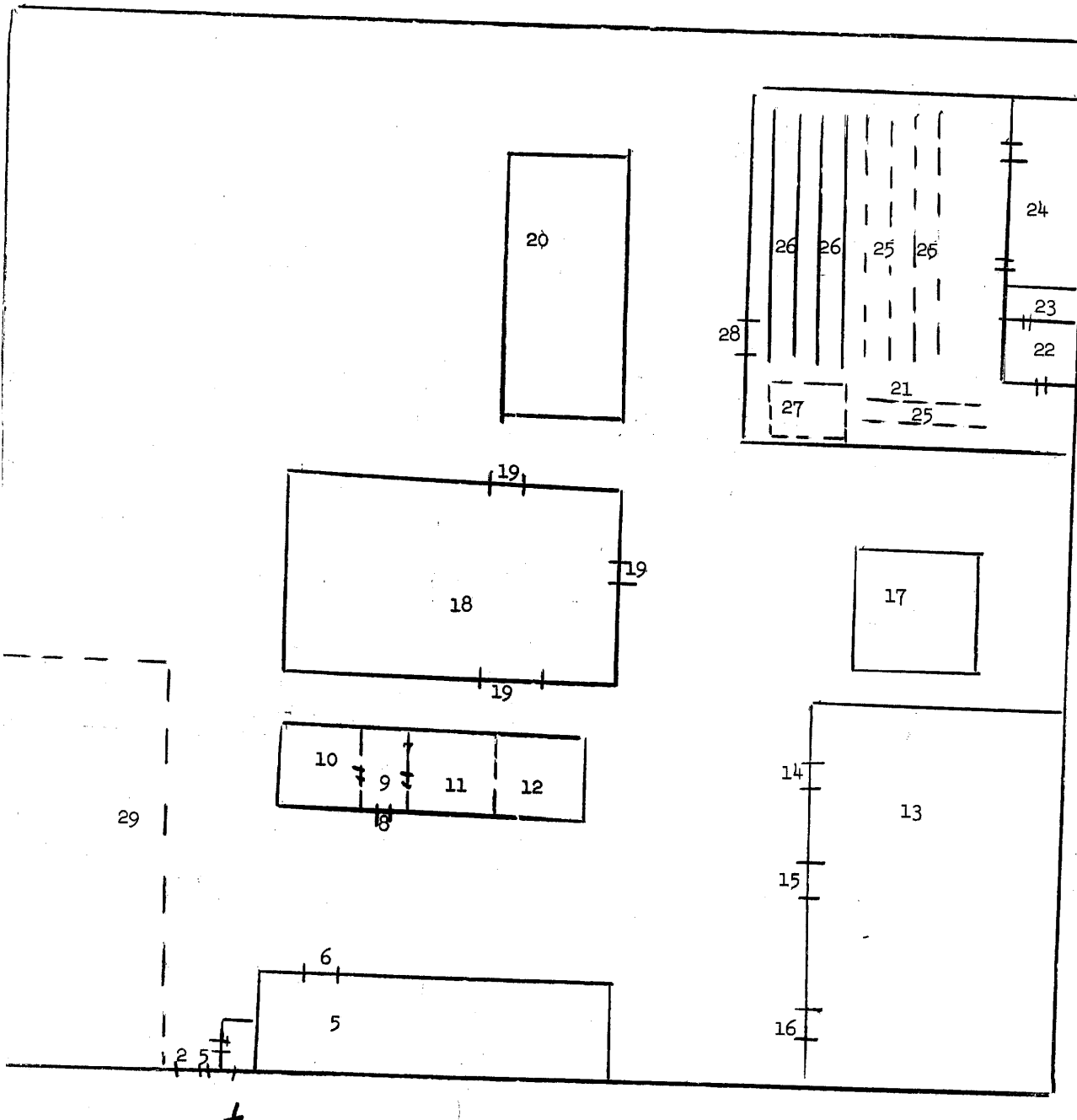
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Annex: Layout of Esztergom Machine-Tool Factory



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